

**Commonwealth of Kentucky
Environmental and Public Protection Cabinet
Department for Environmental Protection
Division for Air Quality
803 Schenkel Lane
Frankfort, Kentucky 40601
(502) 573-3382**

**AIR QUALITY PERMIT
Issued under 401 KAR 52:040**

Permittee Name: Sekisui S-LEC America, LLC
Mailing Address: 1786 Dividend Drive, Columbus, OH 43228

Source Name: Sekisui S-LEC America, LLC
Mailing Address: Rolling Hills Lane
Winchester, KY 40391

Source Location: Rolling Hills Lane

Permit ID: S-06-356 (Revision 2)
Agency Interest #: 78077
Activity ID: APE20080001
Review Type: Minor Source, Operating
Source ID: 21-049-00062

Regional Office: Frankfort Regional Office
643 Teton Trail, Suite B
Frankfort, KY 40601
(502) 564-3358

County: Clark

Application
Complete Date: April 14, 2008
Issuance Date: December 28, 2006
Revision Date: April 25, 2008
Expiration Date: December 28, 2016



**John S. Lyons, Director
Division for Air Quality**

SECTION A - PERMIT AUTHORIZATION

Pursuant to a duly submitted application the Kentucky Division for Air Quality hereby authorizes the operation of the equipment described herein in accordance with the terms and conditions of this permit. This permit has been issued under the provisions of Kentucky Revised Statutes Chapter 224 and regulations promulgated pursuant thereto.

The permittee shall not construct, reconstruct, or modify any affected facilities without first submitting a complete application and receiving a permit for the planned activity from the permitting authority, except as provided in this permit or in 401 KAR 52:040, State-origin permits.

Issuance of this permit does not relieve the permittee from the responsibility of obtaining other permits, licenses, or approvals that may be required by the Cabinet or other federal, state, or local agencies.

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS

Emission Unit 01 (-) **Resin Unloading** – Construction Date: June 2, 2006

Emission Unit 02 (-) **Resin Silo** – Construction Date: June 2, 2006

Emission Unit 03 (-) **Resin Feeding** – Construction Date: June 2, 2006

Emission Unit 12 (-) **Resin Silo 2** – Anticipated Construction Date: October 1, 2007

Description: Emission Units 01, 02, 03 and 12 are each equipped with a baghouse for control of particulate matter emissions.

APPLICABLE REGULATIONS:

401 KAR 59:010, New process operations applicable to each affected facility associated with a process operation which is not subject to another emission standard with respect to particulates in Chapter 59 of 401 KAR commenced on or after July 2, 1975.

1. Operating Limitations:

Baghouse filters shall be in place and operating efficiently during storage and handling of resin.

2. Emission Limitations:

A. 401 KAR 59:010, § 3(1), Visible emissions from each stack or vent shall be less than 20 percent opacity.

B. 401 KAR 59:010, § 3(2), Particulate matter emissions from each stack or vent shall not exceed 3.69 pounds per hour.

Compliance Demonstration Methods:

Compliance with Emission Limitation A shall be verified by conducting a qualitative visual observation of the opacity of emissions from the stacks or vents on a daily basis and taking appropriate actions if visible emissions are seen.

Compliance with Emission Limitation B shall be assumed when baghouse filters are in place and operating efficiently.

3. Testing Requirements:

Testing shall be conducted at such times as may be required by the Cabinet in accordance with 401 KAR 59:005, § 2(2) and 50:045, § 4.

4. Monitoring Requirements:

Refer to Section C.6 – Compliance, subsection (a).

5. Recordkeeping Requirements:

Refer to Section C.6 – Compliance, subsection (a).

6. Reporting Requirements:

Refer to Section C.3 – Reporting Requirements, subsection (c).

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

Emission Unit 04 (-) Extrusion – Construction Date: June 2, 2006

Emission Unit 05 (-) Film Forming – Construction Date: June 2, 2006

Description: Extrusion consists of resin and plasticizer extrusion processes. Film forming consists of resin and plasticizer film forming processes. Particulate emissions from the extrusion and film forming of resin are controlled by a demister.

Applicable Regulations:

401 KAR 59:010, New process operations applicable to each affected facility associated with a process operation which is not subject to another emission standard with respect to particulates in Chapter 59 of 401 KAR commenced on or after July 2, 1975.

1. Operating Limitations:

N/A

2. Emission Limitations:

- A. 401 KAR 59:010, § 3(1), Visible emissions from each stack or vent shall be less than 20 percent opacity.
- B. 401 KAR 59:010, § 3(2), Particulate matter emissions from each stack or vent shall not exceed 3.69 pounds per hour.

Compliance Demonstration Methods:

Compliance with Emission Limitations A and B is assumed given the small amount of particulate matter emitted from these processes.

3. Testing Requirements:

Testing shall be conducted at such times as may be required by the Cabinet in accordance with 401 KAR 59:005, § 2(2) and 50:045, § 4.

4. Monitoring Requirements:

- A. The tons of resin processed annually shall be monitored.
- B. The tons of plasticizer processed annually shall be monitored.
- C. Refer to Section C.6 – Compliance, subsection (a).

5. Recordkeeping Requirements:

- A. Records of annual resin usage shall be maintained.
- B. Records of annual plasticizer usage shall be maintained.
- C. Refer to Section C.6 – Compliance, subsection (a).

6. Reporting Requirements:

Refer to Section C.3 – Reporting Requirements, subsection (c).

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

Emission Unit 06 (-) Roll Cleaning – Construction Date: June 2, 2006

Emission Unit 07 (-) Roll Silicone Treatment – Construction Date: June 2, 2006

Emission Unit 13 (-) Core Cleaning – Anticipated Construction Date: June 1, 2007

Description: Roll cleaning and roll silicone treatment represent maintenance operations on the die and rollers and are process limited. Cleaning operations are conducted three (3) times per year resulting in a potential of 730 hours per year of cleaning operations. Silicone treatment operations are conducted approximately fifteen (15) times per year resulting in 2,738 potential hours of silicone treatment per year. The maximum gallons per year usage rates based on the aforementioned operating schedule are as follows:

Roll Cleaning

- Dynasolve or equivalent: 114 gallons/year
- Kerosene or equivalent: 249 gallons/year
- Ethyl Acetate or equivalent: 254 gallons/year

Roll Silicone Treatment

- Toluene or equivalent: 550 gallons/year

Core Cleaning

- Ethyl Acetate or equivalent: 422 gallons/year

Applicable Regulations:

N/A

1. Operating Limitations:

N/A

2. Emission Limitations:

N/A

3. Testing Requirements:

N/A

4. Monitoring Requirements:

The gallons of cleaning solvent or any other VOC containing material used shall be monitored on an annual basis.

5. Recordkeeping Requirements:

Annual records of cleaning solvent or any other VOC containing material used shall be maintained.

6. Reporting Requirements: Refer to Section C.3 – Reporting Requirements, subsection (c).

SECTION C - GENERAL CONDITIONS

1. Administrative Requirements

- a. The permittee shall comply with all conditions of this permit. Noncompliance shall be a violation of 401 KAR 52:040, Section 3(1)(b) and is grounds for enforcement action including but not limited to the termination, revocation and reissuance, or revision of this permit.
- b. This permit shall remain in effect for a fixed term of ten (10) years following the original date of issue. Permit expiration shall terminate the source's right to operate unless a timely and complete renewal application has been submitted to the Division at least six months prior to the expiration date of the permit. Upon a timely and complete submittal, the authorization to operate within the terms and conditions of this permit, including any permit shield, shall remain in effect beyond the expiration date, until the renewal permit is issued or denied by the Division. [401 KAR 52:040, Section 15]
- c. Any condition or portion of this permit which becomes suspended or is ruled invalid as a result of any legal or other action shall not invalidate any other portion or condition of this permit [Material incorporated by reference by 401 KAR 52:040, Section 1a, 11].
- d. Pursuant to materials incorporated by reference by 401 KAR 52:040, this permit may be revised, revoked, reopened, reissued, or terminated for cause. The filing of a request by the permittee for any permit revision, revocation, reissuance, or termination, or of a notification of a planned change or anticipated noncompliance shall not stay any permit condition [Material incorporated by reference by 401 KAR 52:040, Section 1a, 4, 5].
- e. This permit does not convey property rights or exclusive privileges [Material incorporated by reference by 401 KAR 52:040, Section 1a, 8].
- f. Nothing in this permit shall alter or affect the liability of the permittee for any violation of applicable requirements prior to or at the time of permit issuance [401 KAR 52:040 Section 11(3)].

2. Recordkeeping Requirements

- a. Records of all required monitoring data and support information, including calibrations, maintenance records, and original strip chart recordings, and copies of all reports required by the Division for Air Quality, shall be retained by the permittee for a period of at least five years and shall be made available for inspection upon request by any duly authorized representative of the Division for Air Quality [401 KAR 52:040 Section 3(1)(f)].
- b. The permittee shall perform compliance certification and recordkeeping sufficient to assure compliance with the terms and conditions of the permit. Documents, including reports, shall be certified by a responsible official pursuant to 401 KAR 52:040, Section 21.

SECTION C - GENERAL CONDITIONS (CONTINUED)

3. Reporting Requirements

- a. (1) In accordance with the provisions of 401 KAR 50:055, Section 1, the permittee shall notify the Regional Office listed on the front of this permit concerning startups, shutdowns, or malfunctions as follows:
 - i. When emissions during any planned shutdowns and ensuing startups will exceed the standards, notification shall be made no later than three (3) days before the planned shutdown, or immediately following the decision to shut down, if the shutdown is due to events which could not have been foreseen three (3) days before the shutdown.
 - ii. When emissions due to malfunctions, unplanned shutdowns and ensuing startups are or may be in excess of the standards, notification shall be made as promptly as possible by telephone (or other electronic media) and shall be submitted in writing upon request.
- (2) The permittee shall promptly report deviations from permit requirements including those attributed to upset conditions (other than emission exceedances covered by Reporting Requirement condition a.(1) above), the probable cause of the deviation, and corrective or preventive measures taken; to the Regional Office listed on the front of this permit within 30 days. Other deviations from permit requirements shall be included in the semiannual report [Material incorporated by reference by 401 KAR 52:040, Section 5, 3].
- b. The permittee shall furnish information requested by the Cabinet to determine if cause exists for modifying, revoking and reissuing, or terminating the permit; or to determine compliance with the permit [Material incorporated by reference by 401 KAR 52:040, Section 1a, 6].
- c. Summary reports of monitoring required by this permit shall be submitted to the Regional Office listed on the front of this permit at least every six (6) months during the life of this permit. For emission units that were still under construction or which had not commenced operation at the end of the 6-month period covered by the report and are subject to monitoring requirements in this permit, the report shall indicate that no monitoring was performed during the previous six months because the emission unit was not in operation.

The summary reports are due January 30th and July 30th of each year. All deviations from permit requirements shall be clearly identified in the reports. All reports shall be certified by a responsible official pursuant to 401 KAR 52:040, Section 21.

SECTION C - GENERAL CONDITIONS (CONTINUED)

4. Inspections

In accordance with the requirements of 401 KAR 52:040, Section 3(1)(f) the permittee shall allow authorized representatives of the Cabinet to perform the following during reasonable times. Reasonable times are defined as during all hours of operation, during normal office hours; or during an emergency:

- a. Enter upon the premises to inspect any facility, equipment (including air pollution control equipment), practice, or operation.
- b. To access and copy any records required by the permit.
- c. Inspect, at reasonable times, any facilities, equipment (including monitoring and pollution control equipment), practices, or operations required by the permit.
- d. Sample or monitor, at reasonable times, substances or parameters to assure compliance with the permit or any applicable requirements.

5. Emergencies/Enforcement Provisions

- a. The permittee shall not use as defense in an enforcement action, the contention that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance [Material incorporated by reference by 401 KAR 52:040, Section 1a, 3].
- b. An emergency shall constitute an affirmative defense to an action brought for the noncompliance with the technology-based emission limitations if the permittee demonstrates through properly signed contemporaneous operating logs or relevant evidence that:
 - (1) An emergency occurred and the permittee can identify the cause of the emergency;
 - (2) The permitted facility was at the time being properly operated;
 - (3) During an emergency, the permittee took all reasonable steps to minimize levels of emissions that exceeded the emissions standards or other requirements in the permit; and
 - (4) The permittee notified the Division as promptly as possible and submitted written notice of the emergency to the Division within two working days after the time when emission limitations were exceeded due to the emergency and included a description of the emergency, steps taken to mitigate emissions, and corrective actions taken.
- c. Emergency provisions listed in General Condition 5.b are in addition to any emergency or upset provision contained in an applicable requirement [401 KAR 52:040, Section 22(1)].
- d. In an enforcement proceeding, the permittee seeking to establish the occurrence of an emergency shall have the burden of proof. [401 KAR 52:040, Section 22(2)].

SECTION C - GENERAL CONDITIONS (CONTINUED)

6. Compliance

- a. Periodic testing or instrumental or non-instrumental monitoring, which may consist of record keeping, shall be performed to the extent necessary to yield reliable data for purposes of demonstration of continuing compliance with the conditions of this permit. For the purpose of demonstration of continuing compliance, the following guidelines shall be followed:
 - (1) Pursuant to 401 KAR 50:055, General compliance requirements, Section 2(5), all air pollution control equipment and all pollution control measures proposed by the application in response to which this permit is issued shall be in place, properly maintained, and in operation at any time an affected facility for which the equipment and measures are designed is operated, except as provided by 401 KAR 50:055, Section 1.
 - (2) All the air pollution control systems shall be maintained regularly in accordance with good engineering practices and the recommendations of the respective manufacturers. A log shall be kept of all routine and nonroutine maintenance performed on each control device. Daily observations are required during daylight hours of all operations, control equipment and any visible emissions to determine whether conditions appear to be either normal or abnormal. If the operations, controls and/or emissions appear to be abnormal, the permittee must then comply with the requirements of Section C – General Conditions, 3.a.(2), of this permit.
- b. Pursuant to 401 KAR 52:040, Section 19, the permittee shall certify compliance with the terms and conditions contained in this permit by January 30th of each year, by completing and returning a Compliance Certification Form (DEP 7007CC) (or an approved alternative) to the Regional Office listed on the front of this permit in accordance with the following requirements:
 - (1) Identification of the term or condition;
 - (2) Compliance status of each term or condition of the permit;
 - (3) Whether compliance was continuous or intermittent;
 - (4) The method used for determining the compliance status for the source, currently and over the reporting period, and
 - (5) For an emissions unit that was still under construction or which has not commenced operation at the end of the 12-month period covered by the annual compliance certification, the permittee shall indicate that the unit is under construction and that compliance with any applicable requirements will be demonstrated within the timeframes specified in the permit.

SECTION C - GENERAL CONDITIONS (CONTINUED)

- (6) The certification shall be postmarked by January 30th of each year. Annual compliance certifications shall be mailed to the following addresses:

Division for Air Quality
Frankfort Regional Office
643 Teton Trail, STE B
Frankfort, KY 40601-1758

Division for Air Quality
Central Files
803 Schenkel Lane
Frankfort, KY 40601-1403

- c. Permit Shield - A permit shield shall not protect the owner or operator from enforcement actions for violating an applicable requirement prior to or at the time of permit issuance. Compliance with the conditions of this permit shall be considered compliance with all:
- (1) Applicable requirements that are included and specifically identified in this permit; or
 - (2) Non-applicable requirements expressly identified in this permit [401 KAR 52:040, Section 11].

SECTION D - INSIGNIFICANT ACTIVITIES

The following listed activities have been determined to be insignificant activities for this source pursuant to 401 KAR 52:040, Section 6. While these activities are designated as insignificant the permittee shall comply with the applicable regulation and any level of periodic monitoring specified below. *It is specified here that annual records of source-wide natural gas use shall be maintained.*

<u>Description</u>	<u>Generally Applicable Regulation</u>
1. (EU08) Die Cleaning Oven	N/A
2. (EU09) 6.0 mmBTU/hr Natural Gas Boiler	401 KAR 59:015
3. (EU10) 6.0 mmBTU/hr Natural Gas Boiler	401 KAR 59:015
4. (EU11) 40 hp Diesel Engine	N/A
5. Draft Chamber used for resin testing	401 KAR 63:010